Dismal growth in NER

2636. SHRI D. RAJA:

SHRI R.C. SINGH:

SHRI GIREESH KUMAR SANGHI:

Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

(a) whether it is a fact that the per capita income of the North Eastern States has been on a downward spiral for the last 15 years and seven out of eight States are now below the national average;

(b) if so, the details in this regard;

(c) whether it is also a fact that since 1998 all the Central Government Ministries have been earmarking 10 percent of their annual budgets for North Eastern States; and

(d) if so, the details thereof and the reasons for the dismal performance of growth despite crores are being allocated and spent in these States?

THE MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B.K. HANDIQUE): (a) and (b) No, Sir. The per capita income of the North Eastern States has not been on a downward spiral for the last 15 years. The per capita income of the North Eastern States has, in fact, been growing consistently during the last 15 years. However, the growth rate of the national average was higher than the growth rate of the North Eastern States except that of Tripura. This has resulted in the per capita income of these States trailing behind the per capita income of the country. The position in this regard is summarized in table 1 given below:

Table 1: Per Capita Net State Domestic Product (NSDP)

	States	1993-94 (1993-94 base) (Rs.)	2007-08 (1999-00 base) (Rs.)	Compound annual growth rate (%)
1.	Arunachal Pradesh	8,733	20,570	5.88
2.	Assam	5,715	15,857	7.04
3.	Manipur	5,846	15,270	6.61
4.	Meghalaya	6,893	20,094	7.39
5.	Mizoram	NA	19,750	2.06#
6.	Nagaland	9,129	18,318*	5.50
7.	Sikkim	8,402	23,684	7.15
8.	Tripura	5,534	22,987$	10.71
India per capita NNP (at factor cost)		7,690	24,295	7.97

*. The figure pertain to 2005-06.

$. The figure pertain to 2006-07.

Compound annual growth rate for the period 1999-00 to 2007-08.

Note:

1. The State of Mizoram had not compiled NSDP at constant prices prior to 1999-2000.

2. Per capita NSDP and per capita NNP at constant prices are obtained from CSO.

(c) Yes, Sir. Since the Union Budget of 1997-98 all Central Ministries/Departments, excepting few exempted ones, are required to earmark atleast 10% of their annual gross budgetary support towards development of the North Eastern States.

(d) The total outlay and expenditure of Central Ministries/Departments in the North Eastern States during the first 2 years of the Eleventh Five-Year Plan is given below:

Table 2: Outlay and expenditure of Central Ministries/Departments in NER from earmarked 10% GBS

(Rs. in crores)

	Outlay (RE)	Expenditure/ Re-appropriation
2007-08	12,417.48	10,863.94
2008-09	14,219.14	10,738.90
2009-10 (BE)	16,341.68	-

Note:

1. Outlay figures are based on Expenditure Budget Vol.2. Demands for Grants for relevant years published by Ministry of Finance.

2. Expenditure/Re-appropriation, as reported by Ministries/Departments.

While increased expenditure and improvement in the implementation of schemes of Central Ministries/Departments are, no doubt, important for higher income level in the North Eastem States they are not, by themselves, sufficient to ensure faster economic growth of the region. The expenditure of Central Ministries/Departments in the North Eastern Region given in table 1 above comprise just about 40 percent of the annual investment requirements for 11th Plan period to achieve accelerated growth estimated in NER Vision 2020 Document. The expenditure of Central Ministries/Departments alone is not sufficient to ensure higher growth rate unless accompanied by robust private and State sector investments.

Vision 2020 and Look East Policy

2637. SHRI KUMAR DEEPAK DAS : Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state :

(a) the present status of Vision 2020 and Look-East Policy; and

(b) the details of the progress report and sector-wise details of the implementation of the above projects?

THE MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B.K. HANDIQUE): (a) and (b) Ministry of Development of North Eastern Region (DoNER) and North Eastern Council (NEC) prepared NER Vision 2020 document for socio-economic prosperity of the North Eastern Region to bring it on par with the non –NorthEastern States. The document was released by the